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India

HRI Food Service Sector

Annual

2005

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Report Highlights:
India's food import market related to the hotel, restaurant and institutional (HRI) service sector is small but growing. The recent boom in tourism, and the rapidly growing Western-style fast food restaurant chains offer opportunities for exporters of US food and beverage products in this potentially large, but virtually untapped, market.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
New Delhi [IN1]
[IN]

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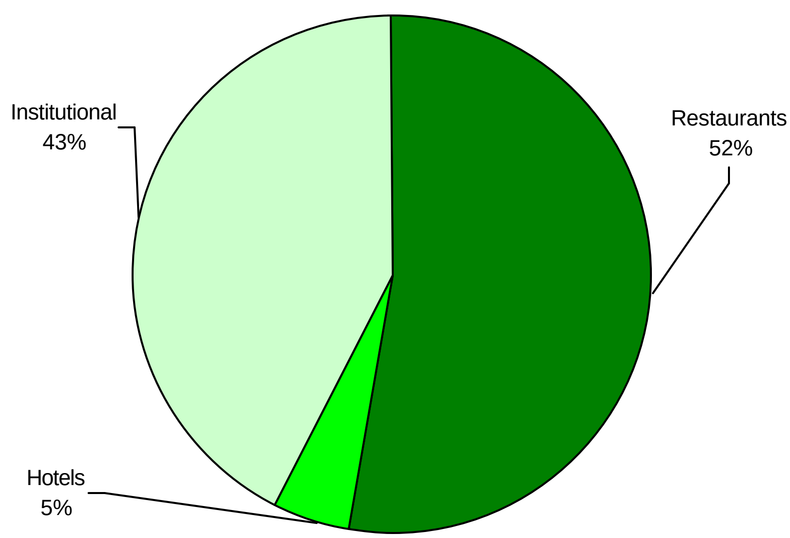
SECTION I: MARKET SUMMARY

The Indian hotel, restaurant, and institutional (HRI) food service sector is highly disorganized; therefore, very limited published information is available about it. Of the estimated 10,000 hotels in India, only 1,800 hotels are in the organized sector. There are approximately 55,000 registered restaurants in the organized sector. In the unorganized sector, there are innumerable roadside eateries and tea/snack shops, with estimates varying from 100,000 to 500,000 in number. The institutional food service sector consists of food service facilities for railways, government offices, corporate offices, education institutions, hospitals, prisons, armed services, and airlines.

India has a population of over 1 billion, and the middle class is estimated at 250 million consumers, the latter of which is growing at 30-40 million per year. India's economy is one of the world's fastest growing, and future growth prospects are widely anticipated. India's economy is to double by 2010 (Merril Lynch 2004), and to be world's 3rd largest by 2050 (Goldman Sachs). Indian consumers spend on average only 2.5 percent of their food expenditures in hotels and restaurants. HRI sector sales of food and beverages in India are estimated at $8.0 billion in Indian fiscal year (IFY) 2003 (April 2003 to March 2004), and are expected to grow by 6-7 percent over next few years.

Indian Food Service Sector Sales
(FY 2003 - $8 Billion)



SOURCE: Literature survey and industry sources.

In recent years the hospitality industry has benefited from a steadily growing economy and booming tourism. The following factors will drive increased food service sales in India in the near future:

- The Indian hotel industry has been on an upswing since 2003, largely on the turnaround of the global tourism industry, the successful 'Incredible India' tourism promotion campaign, and the world's increasing interest in India's rapidly growing economy. Foreign tourist arrivals in 2004 crossed 3.36 million, a growth of 24 percent over the previous year. This growth is expected to remain strong over the next few years. The Indian hotel industry is gearing up to cater to the food needs of the international visitors.

- A rapidly growing Indian economy (6 percent annually over the last decade) has increased incomes of the consuming class. By 2007, approximately 22 percent of households (44 million) are expected to have an average annual income of $3,150 ($17,300 on a purchasing power parity basis) compared with less than seven percent in 1995[1].
- The expanding young population, more women in the workforce, and increasing urbanization support HRI food sales. Today, close to 30 percent of the population live in urban areas, and this share will grow to 40 percent by 2025. Sixty-five million people are expected to enter the 20-34 year age group from 2001 to 2010[2]. The number of dual income households, with both husband and wife working, has been expanding rapidly in urban areas.
- The going-out-to-eat culture is evolving fast in India, as more consumers seek variety in their food choices. Urban Indians are aware of international cuisines, and an increasing number are willing to try new foods. About 4.5 percent of urban consumers eat outside of their home at least once a week, and about 12 percent eat out once a month (HRAI Survey).
- There has been double-digit growth in the Western-style fast-food outlets and coffee shops, both multi-national chains (McDonald, Pizza Hut, Dominos, etc) and Indian chains (Nirula's, Pizza Corner, Barista, Café Coffee Day). Industry sources believe that the multinational and domestic multi-unit restaurant segment will drive the future expansion of the Indian restaurant industry.
- Most Indians still prefer Indian-style food, as various regional cuisines offer many choices. Vegetarianism is still a widely popular culinary tradition in India. However, the younger urban population is increasingly shifting to western-style fast food items.

Import Market

The opportunities for US food companies in India's food service market are presently small but growing. The current boom in the luxury-and business-tourism, and the rapidly expanding Western-style fast food restaurant chains, offer new opportunities for US food and beverage products in the potentially large, but virtually untapped, market.

Presently, consumption of imported food and beverage products[3] is restricted to budget (3-4 star), premium (5 star and above), Heritage hotels[4], and Western-style multi-unit fast food restaurants, and non-ethnic cuisine restaurants. Most of the other hotels, restaurants and institutional service operators procure their entire food and beverage requirements domestically from local food processors and/or distributor/wholesalers.

The imported food and beverages procured by the hotels and restaurants are mainly branded products and products that are not available domestically, or if available, they are of inferior quality. This includes wine and alcoholic beverages, cheese and dairy products; meat and seafood; exotic and tropical fruits and vegetables; frozen french fries; exotic and/or branded sauces, seasonings and condiments; fruit purees/jam/jellies; olives and olive oil; tinned food items; bar syrups (drink mixes); and ingredients of exotic cuisines like Thai, Japanese, Chinese, Mexican, Spanish, and Continental. Appendix 1 provides the Harmonized Tariff

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[1] DSP Merill Lynch

[2] National Council of Applied Economic Research

[3] Excludes bulk agricultural commodities like vegetable oil, pulses, and dried fruit and nuts, as those imports are for bulk consumption and not specifically targeted at the HRI sector.

[4] A hotel operating from a fort, palace or historical building constructed before 1950.

Schedule listing of food and beverage products purchased by hotels and restaurants in India[5].

Typically, most imported consumer food products, including US products, are transshipped through regional trading hubs such as Dubai and Singapore, due to their liberal trade policies and efficient handling capabilities. Major importers are located in Mumbai, Delhi, Chennai, Kolkata, and Goa. A large share (30-40 percent) of imported food enters India through illegal channels (smuggling and leakages from duty-free outlets and ships at dock, etc.). Legitimate importers, who pay high import duties, face stiff competition from this illegal 'gray market.' With the 2001 trade liberalization and declining tariffs, however, smuggling is likely to diminish over time.

Trade Policy

Non-tariff barriers include onerous labeling requirements for packaged goods and compulsory laboratory testing of samples of each item, all of which have increased costs and caused hotels to shy away from direct imports. Consequently, hotels and restaurants prefer to source most of their food requirements from local importers (and their distributors), who handle import clearance procedures better. Import tariffs are still quite high (31 to 52 percent) for most consumer food products. Some sensitive items, such as alcoholic beverages (including wine) and poultry meat, attract much higher duties.

In May 2003, the Government of India allowed hotels (3-star and above) duty-free imports of liquor and wine up to five percent of their average foreign exchange earnings over the preceding three years (see GAIN IN3062). The entitlement to duty-free imports offers a significant cost savings to this segment and increased imports.

Advantages and Challenges of Exporting to Indian HRI Sector

Advantage	***Challenges***
Accelerated growth in the Indian HRI sector fueled by the increasing purchasing power of Indians and expanding tourism.	High tariffs and increasing non-tariff barriers.
Increasing urbanization and growing number of working women.	Antiquated food laws, difficult custom clearance system, and restrictive domestic marketing/distribution policy.
Expanding young population has stimulated the growth of fast food chains and quick service restaurants.	Poor infrastructure (cold storage, roads, etc.) and long, fragmented supply chain.
Growing popularity of American culture and foods. Most US fast food franchises are present in the market.	Increasing competition from local players, including multinational food companies, producing cheaper substitutes in India.
Upper and middle class Indians are eating out more frequently, and are willing to try non-ethnic cuisines.	Competition from countries with closer geographical proximity to the market.
US products have a good quality image among consumers.	Unwillingness to consolidate the varied requirements of the Indian importer.
Improving Indo-US political relations.	Consumers' preference for traditional/ethnic cuisines.

[5] The appendix provides the total value of imports of the selected food and beverage products for IFY 2002 and 2003, and the estimated share purchased by the hotels and restaurants.

SECTION II: ROAD MAP FOR MARKET ENTRY

A: Entry Strategy

- Survey existing and potential markets for existing products in the market. The Office of Agricultural Affairs, New Delhi, and market research firms in India can assist new exporters with their surveys.

- If the US company has product(s) of promising sales potential, they should develop an appropriate marketing strategy on the basis of quality, competitive prices, and/or efficient service. After-sales service and customer support are decisive purchasing factors for hotels and restaurants in India.

- As the majority of Indian hotels and restaurants require individual products in smaller quantities, it may be difficult for the US exporter to make direct sales. Consequently, appointing an in-country agent or distributor is the best alternative. The US exporter should consider the following to select an agent/distributor:
  - ✓ Examine all prospective candidates, and thoroughly research more promising ones. Check the potential agent's reputation through local industry, potential clients, bankers, and from other sources.
  - ✓ Recognize that agents with fewer principals and a smaller set-up may be more adaptable and committed.
  - ✓ Avoid conflicts of interest where a potential agent handles similar product lines.

- For products with a potentially longer shelf life and/or larger order volumes (e.g., from large hotel chains), US exporters may work through consolidators based in Dubai, Singapore, Europe, or the United States.

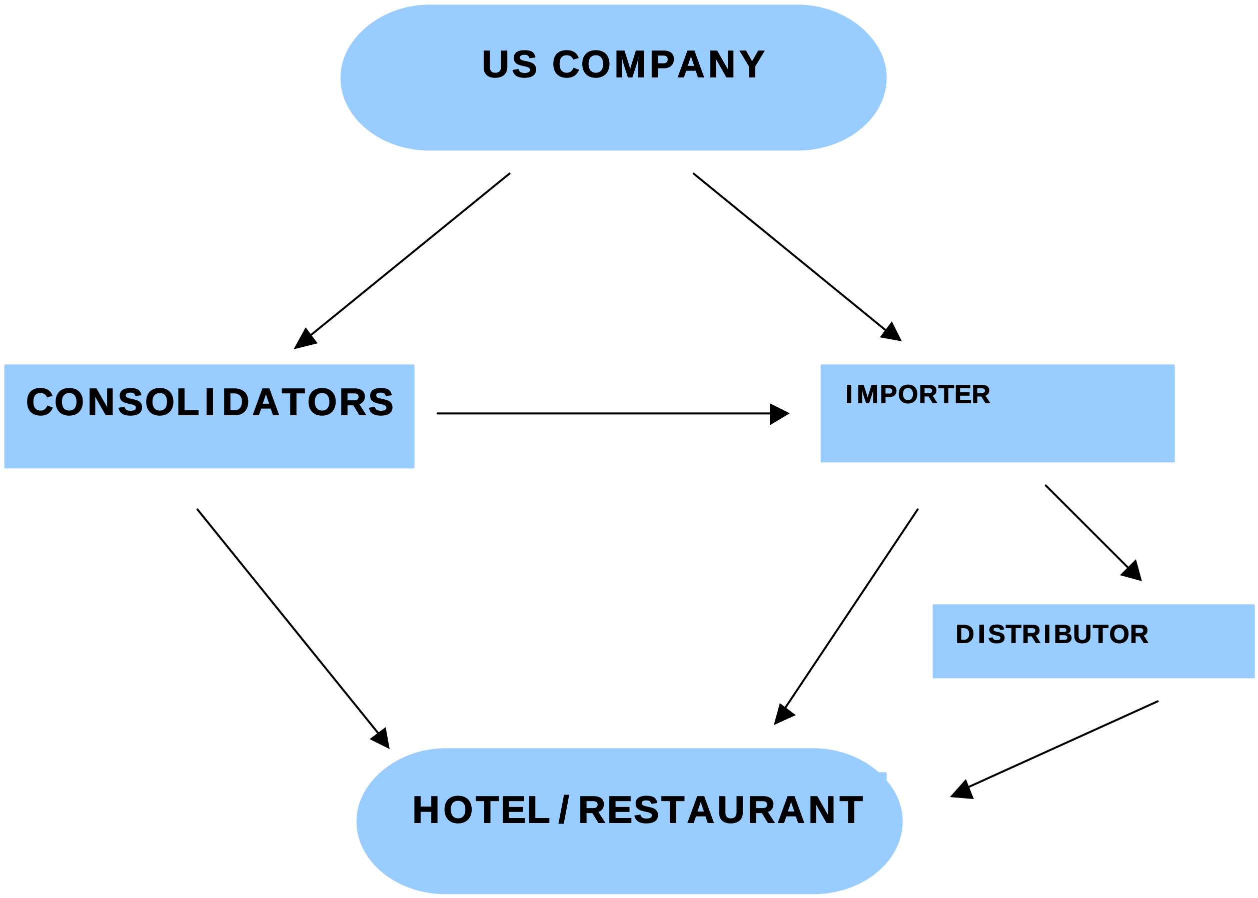
- The US exporter should initially strive to establish direct contacts with hotel and restaurant executives, and then advise their agent to follow-up on a regular basis.

- Aspiring US exporters should also be aware of India's varied and dated food laws, particularly those pertaining to use of additives, labeling requirements, shelf life, and sanitary and phytosanitary regulations. Details on Indian food laws are available in our 'Food and Agricultural Import Regulations and Standards Country Report' (IN4077), which can be accessed from the USDA/FAS website at www.fas.usda.gov.

- Advertising and trade promotion are quite developed in India. Placing advertisements about new-to-market products in hotel trade magazines and journals is highly recommended. Delhi's annual food exposition 'AAHAR' and smaller shows in other cities provide opportunities for US exporters to showcase their products to potential clients.

B: Market Structure

The following chart gives an overview of the distribution network for imported food for the hotel and restaurant sector buyers.



- Hotels and restaurants, depending on their procurement systems, buy products from distribution chains depending on the products' unique nature (volume requirement, shelf life, etc.).
- Fresh produce is generally bought from wholesalers and distributors.
- Imported meats, fish, seafood, and dairy products are obtained from dedicated importers who have the infrastructure to handle such products.
- Most establishments procure non-perishable items through distributors or in a few cases from importers. However, some of the larger hotel and restaurant chains import through consolidators based in Dubai, Singapore, Bangkok (Thai and Eastern cuisines), and Europe (continental cuisines).
- Wines and liquors are generally procured through importers, mainly private bonded warehouse operators, as most hotels and restaurants import liquor duty-free against their foreign exchange earning license.

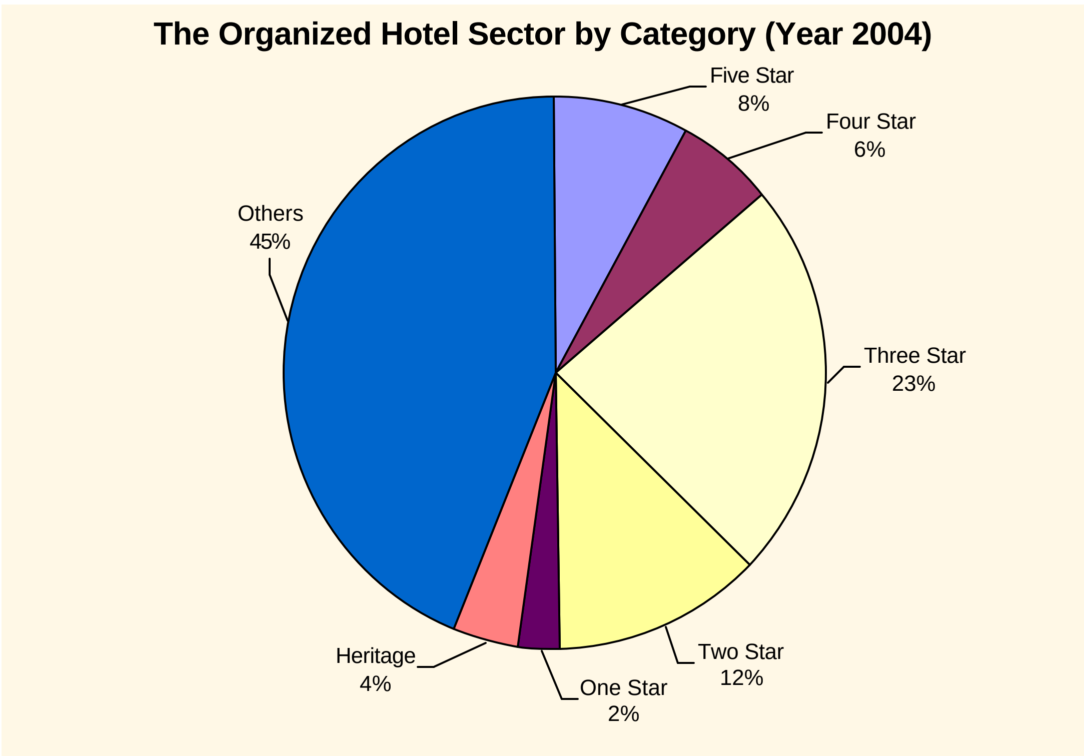
- Many Indian food importers, who supply hotels and restaurants, source their products from consolidators based in Dubai, Singapore, Europe, Bangkok and the United States. Most of the wine and liquor importers source it directly from manufacturers.

- The hotels and restaurants normally procure domestic food and beverages from the wholesaler/distributors network. However, some of the larger food manufacturers also supply through their own distribution networks.

C: Sub-sector Profiles

Hotels and Resorts

Of the estimated 10,000 hotels and resorts in the country, about 1,800 constitute the organized sector (see below). Most of these hotels are in the larger cities and major tourist destinations. India has some excellent domestic hotel chains (see Table 1); several international chains (Table 2) have also established a presence through franchising. These branded hotels are mostly in the premium segment (5 star and above) and in the mid-range segment (3-4 star), which cater to the high-end business and leisure traveler, most of whom are international.



SOURCE: Literature Survey and Industry sources.

Imported food and alcoholic beverage products destined for the HRI sectors are primarily sold to premium and mid-range hotels. The share of imported food products can vary from 5-20 percent of the total food budget, and the imported alcoholic beverages' share can vary from 40-60 percent of the total liquor budget of individual hotels. Most hotels purchase imported food and beverages from importers and/or distributors. However, some of the larger chains, and those hotels with specialty foreign cuisine restaurants, prefer to import directly through consolidators based in Dubai, Singapore, Europe, and Bangkok.

Consolidators typically offer a wide range of products (20-30 items per 20 foot container) in smaller quantities. Presently, no hotel or hotel chain sources products directly from the United States. While the leading hotels appreciate the excellent reputation of US food and beverage products, the higher transportation costs are a constraint. However, many of the hotels are sourcing US products through consolidators in Dubai and Singapore and through local importers.

Table 1: Profile of Domestic Hotel Chains in India

Name of the Chain	No. of Units	Revenue (Million $)	Owner	Purchasing Agent
Taj Hotels, Resorts and Palaces www.tajhotels.com	57	150 (FY04)	The Indian Hotel Company	Consolidators, Importers, and Distributors
ITC-Welcomgroup www.welcomgroup.com	66	130 (FY04)	The ITC Hotels Limited (Ltd)	Importers and Distributors
The Oberoi Group www.oberoihotels.com	30	$112 (FY03)	East India Hotel Ltd.	Consolidators, Importers, and Distributors
The Ashok Group Hotels www.theashokgroup.com	16	N/A	Indian Tourism Development Corporation	Consolidators and Distributors
The Grand Hotels, Palaces & Resorts www.thegrandhotels.net	7	N/A	Bharat Hotels Ltd.	Importers and Distributors
The Leela Palaces & Resorts www.theleela.com	3	45 (FY04)	Hotel Leelaventures Ltd.	Consolidators, Importers, and Distributors
The Park Hotels www.theparkhotels.com	5	N/A	Apeejay Surrendra Park Hotels Ltd.	Importers and Distributors
Hyatt Regency www.asianhotelslimited.com	3	46 (FY03)	Asian Hotels Ltd.	Importers and Distributors
Jaypee Hotels www.jaypeehotels.com	4	N/A	The Jaypee Group	Importers and Distributors
Clarks Hotels www.hotelclarks.com	5	N/A	Clarks Group of Hotels	Importers and Distributors
Mansingh Hotels www.mansinghhotels.com	4	N/A	Mansingh Group	Importers and Distributors

N/A- Not available

Table 2: Profile of International Hotel Chain (Franchisee) in India

Name of the Chain	No. of Units	Purchasing Agent
Le Meridien	6	Importers and Distributor
Holiday Inn	7	Importers and Distributor
Best Western	11	Importers and Distributor
Marriot	6	Direct Import, Importers & Distributor
Quality Inns	8	Importers and Distributor
Radisson	5	Importers and Distributor
Days Inn	6	Importers and Distributor
Four Seasons	1	Importers and Distributor
Nikko	1	Direct Import, Importers & Distributor
See: www.fhrai.com www.indiahotelfinder.com		

Restaurants

There are approximately 500,000 restaurants in the organized sector (restaurants with more than twenty seats and restaurant menu), mostly serving ethnic cuisines; this number is expected to grow at about 7-8 percent annually for next few years because of increasing urbanization and increasing disposable incomes. International and local multi-unit restaurant groups will drive the expansion in the restaurant industry. South India is emerging as a key region for growth of multi-unit ethnic restaurant chains that supply reasonably-priced ethnic food with a quick-service concept.

After a slow start, Western-style fast food restaurants have grown impressively at 12-15 percent annually over recent years. Most foreign chains (McDonald's, Dominos, Pizza Hut, Subway, KFC, and TGIF) and local chains (Nirulas and Pizza Corner) are doing well in major cities, and are expanding into smaller cities. Most of these fast food chains have developed a range of Indian-styled products to suit local preferences (such as the Maharaja chicken burger, veggie burger, etc.). Although these chains procure most of their products locally, several products such as french fries, specialty cheese, some meats/seafood, flavors, condiments, and other ingredients are often imported. Over the past few years, the 'coffee shop' culture has spread via chains like Barista and Café Coffee Day in major cities, and seems poised for further growth. These chains are currently sourcing syrups, specialty coffee beans, and some bakery ingredients from foreign origins.

Table 3: Profile of Restaurant Chains in India

Name of the Chain	Current No. of Units	Type	Ownership Type	Purchasing Agent
McDonalds www.mcdonaldsindia.com	68	Fastfood	Two regional franchisees	Direct Imports and Importers
Pizza Hut www.pizzahut.co.in	100	Fastfood	A master franchisee operating outlets through sub-franchisees	Direct Imports, Consolidators, and Importers
Pizza Corner www.pizzacorner.com	30	Fastfood	Indian company operating through sub-franchisees	Importers and Distributors
Dominos Pizza www.dominosin.com	Approx 96	Fastfood	A master franchisee operating outlets through sub-franchisees	Information not available
Subway www.subway.com	42	Fastfood	Franchisee operating outlets through sub-franchisees	Importers and Distributors
KFC www.kfc.com	7	Fastfood	Franchisee operating outlets through sub-franchisees	Consolidators and Importers
TGI Friday's www.tgifindia.com	5	Casual Dining	All-India franchisee	Consolidators and Importers
Nirulas www.nirula.com	63	Fastfood/Casual Dining	Indian company with few franchisees	Importers and Distributors
Barista Coffee www.barista.co.in	105	Coffee Shop (serves baked goods and sandwiches, too)	Indian company owned	Importers and Distributors
Café Coffee Day www.cafecoffeeday.com	230	Coffee Shop	Indian company owned	Importers and Distributors
Kwality Group	14	Quick service/ casual Dining	Family owned	Importers and Distributors

Institutional

The institutional food service sector includes catering services for the armed services, railways, ships, hospitals, schools, government meal schemes, prisons, and government and corporate offices. These customers almost exclusively procure all their food and beverage requirements from domestic sources. The leading hotel chains cater to the airlines and for higher-end corporate and private events. Consequently, there are very limited marketing opportunities for US food products in this segment of the market.

SECTION III: COMPETITION

The biggest competitor for US food and beverage products in India's HRI market is from the local food industry. India's diverse agro-industrial base offers many products at competitive prices. Leading multinational food companies from the United States and Europe have food processing operations in India, which offer a range of western-style products at reasonable prices. The quality of these domestically produced products may be inferior to imported ones due to the poor quality of the raw materials. Most local products are priced lower than comparable imported ones due to high import duties. While many hotel and restaurant buyers are aware of quality differences and insist on world standards, most are forced to be price conscious.

There are no reliable data on imports of food and beverage products for the HRI sector in India[6]. Based on a qualitative assessment of the market and information obtained from market sources, products from Australia, New Zealand, the European Union (EU), the Middle East, and other Asian countries directly compete with items from the United States. In addition to the freight cost advantages, market sources report that suppliers from these competing countries are more responsive to demands by the hotel importers for mixed consignments of smaller individual product lots, and are also more willing to modify product specifications to meet Indian food laws. Please refer to Appendix 1 for information on the major competing suppliers for various product categories procured by the hotel and restaurant buyers in India.

[6]- Official Indian statistics do not provide a detailed break-up, and include food products imported for retail sales, HRI, and further processing.
- Most consumer food products are imported as mixed consignments from transshipment points like Dubai or Singapore, and are not appropriately identified by their country of origin.
- Most of the transshipped mixed consignments are under-invoiced or falsely declared.
- Over 30-40% of the imported products are unaccounted for in official data as they enter the market through illegal channels.

SECTION IV: BEST PRODUCT PROSPECTS FOR HRI SERVICE SECTOR

India's HRI sector food import market is quite small. The sections below are based on the relative importance and growth prospects of various products in the existing market.

A: Products Present in the Market That Have Good Sales Potential /1

Product Category	HS code	Projected Annual Import Growth over Next Five Years	Total Import Duty /2	Key Constraints	Market Attractiveness for USA
Alcoholic beverages	2203, 2204, 2206, 2208	10-15%	153 to 536 percent (Zero-duty scheme hotels and restaurants; see Trade Policy section)	Exorbitantly high duties, competition from the EU (Preference for French wines and Scotch)	Indian consumers are willing to try US wines and other US spirits
Fresh fruits & vegetables (mostly exotic)	0805, 0806, 0808, 0809, 0810, 0709	10-15%	30.6 to 51.0 percent	Growing competition from Australia, China, New Zealand, etc.	Seasonal shortages in domestic supply; increasing interest in high quality fruits and exotic vegetables among the Indian elite
Sauces, spreads, salad dressings, condiments, soups, broths etc	2103, 2104	5-10%	30.6 to 52.24 percent	Competition from domestic suppliers and suppliers from South Asian Countries and the EU	Growing fast food sector, increasing popularity of imported brands
Frozen french fries, vegetables	200410, 2205	10-15%	30.6 to 52.24 percent	Competition from the EU	Growing fast food sector, lack of domestic availability

/1: Post analysis based on information from market sources.
/2: Total import duty includes basic duty, countervailing duty, and education cess (two percent).

B: Products Not Present in Significant Quantities But Which Have Good Sales Potential /1

Product Category	HS code	Projected Annual Import Growth in Next Five Years	Total Import Duty /2	Key Constraint	Market Attractiveness for USA
Fish and marine products	0302, 0303, 0304, 0305, 0307, 1605	5 to 10 percent	30.6 to 52.24%	Competition from domestic suppliers and South Asia	Increasing tourist inflow to create demand for exotic fish and marine products
Chocolates, chocolate syrups & other cocoa products	1806	5 to 10 percent	52.24%	Competition from domestic suppliers, the EU and South Asian countries	Increasing popularity of imported brands and shortage of quality domestic products
Jams, jellies, and fruit juices	2007, 2009	5 percent	30.6 to 52.24%	Competition from domestic suppliers, the EU and South Asian countries	Increasing popularity of imported brands, and shortage of quality domestic products
Pasta	1902	5 to 10 percent	52.24%	Competition from domestic suppliers, the EU and South Asian countries	Growing fast food sector and shortage of quality domestic products.
Preserved, dried vegetables	0710, 0711, 0712	5 to 10 percent	30.6%	Competition from domestic suppliers, the EU and South Asian countries	Growing fast food sector and shortage of quality domestic products.
Olive oil	1509	10 to 15 percent	45.9%	Competition from the EU	Growing Western style restaurants and fast food sector, shortage of quality domestic products
Vinegar and substitutes	2209	10 to 15 percent	52.24%	Competition from the EU	Growing Western style restaurants and fast food sector, shortage of quality domestic products.

/1: Post analysis based on information from market sources.
/2: Total import duty includes basic duty, countervailing duty, and education cess (two percent).

C: Products Not Present Because They Face Significant Barriers

Beef imports are banned due to religious reasons. Imports of cheese and dairy products and most meat products from the United States are effectively banned due to sanitary import requirements (see IN4024 and IN5008). However, USDA is working with the Indian authorities to remove these non-science based conditions.

V. POST CONTACTS AND FURTHER INFORMATION

If you have any additional queries regarding this report or need assistance exporting to India, please contact the Office of Agricultural Affairs, New Delhi, at the following address:

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Embassy of the United States of America
Chanakyapuri, New Delhi - 110 021
Ph: (91-11) 2419-8000, Fax: (91-11) 2419-8530
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- The following reports may be of interest to US exporters. These, and related reports prepared by this office, can be accessed via the FAS Home Page, (www.fas.usda.gov) by clicking on "Attaché Reports," and typing the report number.

Report Number	Report Title
IN4103	Exporter Guide
IN4077	FAIRS Annual
IN5021	Trade Policy Monitoring Annual
IN4126	India: Retail Food Sector Annual
IN5031	India: Food Processing Ingredient Sector Annual

- The Country Commercial Guide prepared by the Commercial Section of the US Embassy will also be of interest to exporters. This can be accessed through www.stat-usa.gov or www.export.gov.

- For information on the Indian hotel and restaurant industry, you may refer to various reports by the Federation of Hotels and Restaurants in India (FHRAI). These reports can be accessed from their website at www.fhrai.com

APPENDIX 1: India's Imports of Food and Beverage Products* Sourced by the HRI Service Sector by Top Suppliers (Figures in US Dollars)

HTS CODE	DESCRIPTION	APR 2003 – MAR 2004		APR 2004 – DEC 2004		HRI Sector Share
			TOTAL		TOTAL	(%)
0302	**FISH FRESH OR CHILLED EXLCDING FISH FILLETS & OTHER FISH MEAT OF HEADING 0304**		**5,311,360**		**6,423,907**	5-7
	BANGLADESH	5,014,320		6,417,528		
	UK	892		3,377		
	JAPAN	0		1,744		
	USA	0		574		
	THAILAND	2,394		508		
0303	**FISH FROZEN EXLDNG FISH FILLETS & OTHER FISH MEAT OF HEADING OF 0304**		**173,972**		**366,909**	5-7
	Bangladesh	12,753		127,483		
	Myanmar	77,084		96,600		
	Singapore	12,992		62,561		
	Yemen Rep			47,417		
0304	**FISH FILLETS & OTHER FISH MEAT (WHETHER OR NOT MINCED) FRESH CHILLED OR FRZEN**		**154,015**		**947,042**	10-15
	Bangladesh	60,348		603,753		
	Oman	56,213		120,221		
	Ukraine	0		46,623		
	UAE	26,986		46,534		
	Yemen Republic	0		44,658		
0305	**FISH DRIED SALTED OR IN BRINE; SMOKED FISH COOKED OR NOT BEFORE OR DURING THE SMOKING PROCESS; FISH MEAL FIT FOR CONSUMPTION**		**217,084**		**304,834**	10-15
	Bangladesh	80,022		100,221		
	Norway	18,455		99,338		
	UAE	11,208		42,252		
	Denmark	35,539		33,620		
	USA	0		949		

* The products listed in the table are the imported food and beverage products used by the hotels and restaurants. Others also use these products, e.g., retail sector (consumers), the diplomatic community and foreigners, and processing sector, but a sector wise break-up of these products is not available. The HRI service sector share in the table is estimated based on information from market sources.
Note that the 30-40% of the imports that are brought in illegally are not reported in the table.

0306	**CRSTCNS W/N IN SHL, LIVE FRSH, CHLD, FRZN, DRDSL TD/IN BRINE**		**4,040,196**		**2,586,777**	40-50
	CRSTCSN IN SHL CKD BY STMNG OR BOILING W/N CHLDFRZN, DRD SLTD					
	USA	1,016,061		747,219		
	Myanmar	939,695		223,576		
	Spain	44		179,382		
	Belgium	112,165		176,799		
	Sri Lanka	131		149,272		
	South Africa	0		143,113		
	Bangladesh	185,571		132,208		
0307	**MOLUSCS W/N SHL, LIVE FRSH CHLD FRZN DRIED SLTD IN BRINE/QUATIC**		**1,190,250**		**1,128,587**	40-50
	INVERTBRTS EXCL CRSTCNS & MOLUSC LIVE, FRSH, CHLD, FRZN					
	Indonesia	98,672		252,163		
	Yemen Rep	0		174,150		
	UAE	45,005		98,896		
	China P Rp	0		98,256		
	Canada	0		74,106		
	USA	0		59,448		
0406	**CHEESE & CURD**		**1,888,749**		**1,556,203**	20-25
	Italy	153,819		276,247		
	Poland	238,237		237,351		
	Denmark	181,719		195,276		
	Australia	140,392		190,839		
	Netherland	146,268		167,815		
	USA	3,613		19,426		
0409	**NATURAL HONEY**		**500,762**		**2,605,850**	10-12
	China P Rep	6,681		2,210,883		
	Singapore	0		21,280		
	UAE	9,010		12,671		
	Australia	566		11,258		
	USA	3,896		10,132		
0709	**OTHER VEGETABLES FRESH OR CHILLED**		**63,721**		**45,276**	20-25
	China P Rp	29,706		15,806		
	USA	0		8,433		
	Italy	7,878		8,411		
	Thailand	5,571		6,269		
	Netherland	4,070		3,819		
0710	**VEG COOKED OR NOT BY STMNG/ BOILING, FRZN**		**407,486**		**111,280**	20-25
	Thailand	39,021		38,035		

	China P Rp	174		28,344		
	Australia	12,383		24,283		
	New Zealand	79,478		19,735		
	Italy	174		596		
	USA	65		199		
0711	**Vegetables provisionally preserved, unsuitable for instant consn**		**92,187**		**89,007**	30-35
	Spain	17,628		36,645		
	Thailand	14,820		17,925		
	Italy	3,460		13,929		
	Australia	0		10,132		
	Greece	1,023		1,876		
	USA	196		1,634		
0712	**DRIED VEG, WHOLE CUT, SLCED BRKN OR IN PWDR**		**788,749**		**579,823**	10-15
	Malaysia	11,991		278,631		
	China P Rp	405,005		173,731		
	USA	95,713		51,810		
	France	163,069		17,792		
	Italy	4,853		16,446		
0805	**CITRUS FRUIT FRESH OR DRIED**		**254,646**		**341,148**	10-12
	South Africa	44,592		163,466		
	Australia	134,625		113,620		
	USA	45,680		37,439		
	Thailand	0		19,316		
	UAE	0		4,216		
080610	**GRAPES FRESH OR DRIED**		**554,668**		**1,021,567**	10-12
	USA	255,321		707,726		
	Australia	110,642		261,192		
	Chile	44,548		37,042		
	Afghanistan	53,428		15,607		
0808	**APPLES, PEARS, & QUINCES, FRSH**		**12,606,202**		**9,899,249**	8-10
	USA	2,662,089		2,511,523		
	China P Rp	2,520,827		2,286,623		
	New Zealand	1,805,724		1,707,196		
	Australia	4,370,381		1,297,351		
	South Africa	417,889		1,009,956		
	Chile	89,032		919,205		
0809	**APRICOTS CHERRIES PEACHES (INCL NECTARINES PLUMS & SLOES FRSH)**		**131,208**		**349,536**	15-20
	USA	50,577		114,636		

	Afghanistan	37,258		109,558		
	France	0		34,768		
	Turkey	0		25,828		
	Spain	13,036		21,126		
0810	**OTHER FRESH FRUITS**		**648,749**		**656,843**	15-20
	Italy	221,828		200,044		
	New Zealand	124,222		180,728		
	USA	131		179,183		
	Myanmar	0		32,428		
	Indonesia	0		28,698		
0811	**FRUIT & NUTS, UNCOOKD /COOKED BY STEAMING OR BOILING IN WATER FRZN W/N CONTG ADDED SUGAR OR OTHER SWEETNNG MATTER**		**126,681**		**86,181**	15-20
	USA	39,695		63,819		
	Belgium	0		14,084		
	Denmark	3,156		7,417		
	Netherland	0		640		
	UAE	2,437		221		
0813	**FRUIT DRIED EXCL UNDER HEAD 0801 TO 0806 MIX OF NUTS OR FRUIT DRIED**		**2,539,956**		**4,311,170**	5-7
	Afghanistan	2,217,476		2,885,651		
	Sri Lanka	10,925		590,331		
	Myanmar	0		222,318		
	Indonesia	0		152,406		
	Tanzania Rep	0		129,249		
	USA	41,806		32,870		
1509	**OLIVE OIL & ITS FRACTNS W/N REFINED BUT NOT CHMICALLY MODIFED**		**3,324,113**		**2,321,634**	10-15
	Spain	1,659,238		1,245,740		
	Italy	1,340,849		942,539		
	Turkey	83,808		106,954		
	UAE	5,985		4,834		
	Greece	3,243		4,327		
	USA	457		2,737		
1601	**SAUCES & SMLR PRDCTS OF MEAT MEAT OFFAL OR BLOOD FOOD PRPNS BASED ON THESE PRODUCTS**		**97,758**		**104,746**	15-20
	Sri Lanka	44,614		78,256		
	Denmark	30,468		22,539		
	Italy	0		3,113		
	USA	827		0		

1602	**OTHER PRPD/PRSVD MEAT MEAT OFFAL/BLOOD**		**159,369**		**94,216**	15-20
	Nepal			51,634		
	Netherland	26,028		18,631		
	Denmark	60,218		16,313		
	Italy	0		3,687		
	USA	392		640		
1605	**CRUSTACEANS MOLLUSCS & OTHER QUATIC INVERIBRATES PRPD OR PRESVD**		**32,927**		**295,276**	45-50
	China P Rp			114,768		
	Japan	65		69,117		
	UK	0		44,592		
	USA	0		66		
1806	**CHOCOLATE & OTHER FOOD PRPNS CONTNG COCOA**		**6,261,697**		**5,496,932**	5-7
	Malaysia	911,839		999,161		
	Singapore	939,717		959,095		
	Netherland	594,516		826,026		
	UAE	565,680		657,859		
	Switzerland	498,520		470,530		
	USA	344,418		195,629		
1902	**PASTA,W/N CKD OR OTHERWISE PREPARED**		**4,585,637**		**3,265,408**	7-10
	Nepal	3,887,965		2,568,035		
	Italy	462,307		459,404		
	Singapore	2,699		57,461		
	U.A.E.	2,894		40,442		
	Australia	41,828		25,563		
	USA	4,505		22,208		
1905	**BREAD, PASTRY, BISCUITS AND OTHER BAKER WARES**		**3,978,651**		**2,828,764**	5-7
	Nepal	1,444,766		755,673		
	Malaysia	460,522		426,225		
	UK	245,005		249,249		
	Netherland	327,160		248,477		
	Denmark	174,538		229,801		
	UAE	191,273		185,806		
	USA	86,050		86,954		
200410	**POTATOES PRPD/PRSVD**		**2,347,704**		**2,325,762**	75-80
	USA	808,705		981,038		
	Netherland	793,384		470,110		
	Italy	59,608		280,243		

	New Zealand	473,406		272,649		
	Canada	72,078		113,863		
2005	**OTHER VEGTBLS PRPD/PRSVD OTHERWISE THN BY VENEGAR/ ACETIC ACID NT**		**1,067,900**		**717,925**	75-80
	FRZN OTHER THN PRDTCS OF HEADING NO. 2006					
	USA	638,281		320,795		
	Spain	147,878		122,318		
	Italy	7,508		57,395		
	Thailand	85,550		57,196		
	Japan	0		43,157		
2007	**JAMS FRUT JELLY MARMALDS FRUT/NUT PUREE & FRUT /NUT PASTS COOKED PRPN W/N CONTNG SUGR**		**700,174**		**853,642**	10-12
	USA	1,175		187,329		
	France	143,569		153,068		
	Taiwan	155,060		114,349		
	Malaysia	87,312		59,095		
	Nepal	11,360		55,519		
2008	**FRUITS NUTS & OTHER EDIBLE PARTS OF PLANTS SO OTHERWISE PRPD/PRSVD**		**2,007,095**		**1,346,733**	10-12
	W/N SWEETND NES					
	France	741,697		761,832		
	Nepal	776,779		164,746		
	Thailand	72,427		58,389		
	Bangladesh	25,637		57,196		
	USA	16,496		50,265		
2009	**FRUIT JUICES (INCL GRAPE MUST) VGTBL JUICE UNFRMNTED & NOT WITH ADDED SPRT W/N SWEETND**		**7,505,898**		**7,321,611**	5-7
	Nepal	3,374,951		2,859,205		
	Brazil	954,450		655,364		
	Bangladesh	139,042		640,221		
	USA	306,877		520,044		
	UAE	116,779		360,728		
	Malaysia	282,590		342,362		
2102	**YEAST (ACTIVE/INACTIVE) OTHER SINGLE CELL MICRO ORGNS DEAD (BUT NT INCL**		**1,387,291**		**933,466**	7-10
	VACCINS OF HEADING NO. 3002) PRPD BAKING POWDERS					
	Brazil	679,151		265,607		
	Switzerland	203,613		225,651		
	France	260,501		143,775		

	USA	8,292		7,086		
2103	**SAUCE & PRPNS THEREFOR MXD CONDIMNTS & MXDSEASINGS MUSTD FLOUR & MEAL PRPD MUSTRD**		**1,338,063**		**1,156,225**	7-10
	USA	222,198		228,079		
	Thailand	120,065		123,642		
	China P Rep	273,341		109,470		
	Malaysia	40,892		104,768		
	UK	146,703		91,325		
	Singapore	66,899		89,735		
2104	**SOUPS & BROTHS PREPARATIONS THERFOR HOMOGENISED COMPOSITE FOOD PREPARATIONS**		**213,058**		**671,810**	7-10
	USA	6,703		367,815		
	UK	97,824		164,459		
	Norway	4,353		74,680		
	Switzerland	31,621		21,435		
	Thailand	4,135		19,934		
2201	**WATERS INCLDG NATRL/AFRFLC MINRLS WATERS & AETED WATERN NOT CNTG ADDED SUGAR OTHER SWEETENING MATTER NOR FLAVORED ICE & SNOW**		**691,338**		**872,472**	35-40
	Bhutan	393,058		617,616		
	France	242,873		180,022		
	Germany	6,572		39,338		
	UK	6,921		13,488		
	USA	1,567		1,038		
2202	**WATERS INCLD MNRL WATERS & AER TED WATER CNTNG ADDED SUGR OTHER SWTNT MATER LFAVORD & OTHER NOMASLOCHOLIC BEVERG JUICE OF HD2009**		**9,621,719**		**11,755,055**	35-40
	Nepal	1,566,028		7,619,757		
	Bhutan	6,859,499		2,713,974		
	Austria	301,697		635,188		
	Bangladesh	224,657		146,336		
	USA	78,303		87,704		
2203	**BEER MADE FROM MALT**		**533,928**		**971,060**	45-50
	Nepal	48,770		334,283		
	Singapore	278,738		226,468		
	UK	21,806		93,377		
	Netherland	122,155		87,351		
	Mexico	0		58,962		
	USA	4,091		618		

2204	**WINE OF FRSH GRAPES INCLD FORTIFIED WINEGRAPE MUST OTHER THAN THAT**		**1,878,063**		**3,386,291**	45-50
	OF HDNG 20098					
	France	729,793		1,389,536		
	Italy	60,827		615,121		
	Australia	191,687		342,583		
	USA	145,049		231,678		
	Chile	80,152		148,057		
2206	**OTHER FERMNTD BEVRGS (CIDER PERRY MEAD)**		**1,806**		**78,300**	45-50
	UAE	0		66,689		
	Thailand	0		7,461		
	USA	0		3,311		
	France	0		464		
	UK	1,806		375		
2208	**UNDNTATED ETHYL ALCHL WITH <80% STRNGHT; SPRTS LIQRS & OTHER SPRT BVRGS...**		**12,279,935**		**15,787,020**	45-50
	UK	10,576,279		12,184,812		
	UAE	198,303		1,322,804		
	France	673,950		598,521		
	Germany	164,135		320,353		
	Mexico	102,612		316,932		
	USA	268,640		260,839		
2209	**Vinegar & substitues for vinegar**		**2,806,964**		**2,588,344**	15-20
	Belgium	986,942		910,773		
	France	1,150,816		755,938		
	Netherland	49,946		451,678		
	South Africa	190,555		242,715		
	Spain	140,827		87,439		
	USA	40,044		52,252		